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Chairperson: Mr. Mićić (Vice-Chairperson) ..... (Serbia)

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In the absence of Mr. Park In-kook (Republic of Korea), Mr. Mićić (Serbia), Vice-Chairperson, took the Chair.

The meeting was called to order at 10.40 a.m.

Agenda item 56: Groups of countries in special situations

(a) Third United Nations Conference on the Least Developed Countries (A/64/80-E/2009/79)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (A/64/268)

1. **Mr. Diarra** (Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States) introduced the report of the Secretary-General entitled "Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010" (A/64/80-E/2009/79), which assessed progress in the implementation of the Brussels Programme of Action, particularly in the context of the global financial and economic crisis; highlighted measures adopted by the least developed countries and their development partners, and results achieved; and provided an update on preparations for the Fourth United Nations Conference on the Least Developed Countries, to be held in 2011.

2. He then introduced the report of the Secretary-General entitled "Implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries" (A/64/268), which assessed the social and economic performance of landlocked developing countries, including in the context of the current global crises; provided an overview of progress made and constraints encountered in the implementation of the Almaty Programme of Action; and put forward a number of recommendations for the way forward.

3. **Ms. Becker** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that the European Union was committed to implementing the Brussels Programme of Action and looked forward to the Fourth United Nations Conference on the Least Developed Countries.

4. As reaffirmed in the Doha Declaration on Financing for Development, each country had primary responsibility for its own economic and social development and the role of national policies, domestic resources and development strategies could not be overemphasized. The European Union firmly believed that national Governments were responsible for ensuring human rights and citizens' participation, for solving conflicts by peaceful means and for addressing the weaknesses of domestic financial institutions, with the support of development actors. Good governance in the least developed countries and national ownership of the development process were both important. Economic growth alone could not ensure a higher standard of living.

5. The European Union was committed to alleviating the effects of the global recession on the least developed countries. It was crucial to focus on the poorest and most vulnerable while at the same time ensuring social development and environmental protection. To that end, the European Union had created a €1 billion food facility, which would provide increased resources for food security and agricultural development over the next three years.

6. The European Union had increased its official development assistance (ODA) to over €49 billion, or 0.40 per cent of gross national income (GNI), in 2008. Continued efforts were nonetheless important. The European Union was committed to meeting its ODA targets, including the target of 0.15 to 0.20 per cent of gross national product (GNP) as ODA to the least developed countries. Indeed, European Union aid should exceed €66 billion in 2010, despite the economic crisis. Financial assistance must, however, be accompanied by mutual responsibility and efficiency. Continued efforts were therefore needed to ensure an ambitious and action- and results-oriented implementation of both the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action.

7. The European Union was the least developed countries' and landlocked developing countries' most important trading partner in terms of both nominal trade and export diversification. Indeed, the European Union imported a relatively large quantity of agricultural and manufactured goods. Both agriculture and manufacturing were labour-intensive sectors that were essential to spurring development. The recent decline in the price of fuel and raw materials would only consolidate the European Union's role as number one trading partner.

8. The European Union invested heavily in Aid for Trade. Indeed, its Aid for Trade commitments had reached €7.17 billion in 2007. On 30 September 2009, the last remaining quotas for sugar and rice under the European Union's Everything but Arms initiative had lapsed completely. Since 1 October 2009, the European Union had therefore been offering duty- and quota-free access to all least developed countries on all products, except arms and ammunition. Non-European Union developed countries and advanced developing countries in a position to do so should follow the European Union's example.

9. The European Union supported an ambitious, balanced and comprehensive outcome of the Doha Development Round that would enable developing countries to benefit more fully from world trade.

10. The private sector, markets and entrepreneurship were vital for galvanizing production, creating jobs and sustaining economic growth and should not, therefore, be forgotten. When drafting their development strategies and diversifying their economies, Governments should be mindful of the environment and should avoid protectionism, import substitution and other damaging policies.

11. Climate change was being experienced most severely by the countries least equipped to cope with its adverse effects. Global warming undermined development and threatened to offset gains on poverty and hunger reduction, causing additional stress to developing countries that were particularly vulnerable to its impacts. Efforts to reduce the risks of climate change must build on the capacity of countries, local communities and individuals to foster resilient societies. The European Union was willing to help improve the efficiency of both the Least Developed Country Fund and the Special Climate Change Fund in an effort to respond adequately to the adaptation challenges faced by the least developed countries.

12. Mitigation and adaptation would require considerable domestic and external finance, both private and public. The European Union would provide its fair share of financing. A fast start must be made on international public financing for capacity-building and technical assistance. The European Commission estimated that between €5 billion and €7 billion worth of assistance a year would be required during the period 2010-2012. Countries' graduation from the list of least developed countries was a positive step in the development process. Graduating countries must, however, be guaranteed a smooth transition.

13. The European Union was committed to implementing the priorities contained in the Almaty Programme of Action and welcomed the progress made so far in that regard. The key to progress was subregional, regional and interregional cooperation, including enhanced regional economic integration. For its part, the European Union provided financial and technical assistance for transport infrastructure and services, policy development and regional transport networks.

14. The high-level plenary meeting of the General Assembly to review the progress made on the Millennium Development Goals (MDGs), to be held in September 2010, would be crucial for joint efforts to meet the Goals on time. The success of the least developed countries and landlocked developing countries was rooted in timely and comprehensive development cooperation and well-evaluated development policies.

15. **Mr. Daoud** (Sudan), speaking on behalf of the Group of 77 and China, said that while in some quarters the global economic and financial crisis would soon be over, the least developed countries seemed destined to suffer from its consequences for a long time. Against such a backdrop, the Brussels Programme of Action was more relevant than ever and would be key in assessing the window of opportunity offered by the crisis. The progress made by the least developed countries since 2000 was being wiped out by the crisis. The Fourth United Nations Conference on the Least Developed Countries would offer an opportunity to reverse that trend. The least developed countries should work with their development partners to harness the opportunities offered by the crisis,

particularly in areas where weaknesses had been identified. In particular, the Doha Round should be concluded as a matter of urgency and all least developed country products should be given duty- and quota-free access.

16. The Group of 77 and China remained convinced that the timely implementation of the commitments contained in the Brussels Programme of Action would enable internationally agreed development goals, including the MDGs, to be met in the least developed countries. Those countries had worked hard to create an enabling national environment. Now their development partners must increase their support. Development partners must also meet their commitments on ODA, despite the crisis.

17. The Group of 77 and China also called for the full and timely implementation of the Almaty Programme of Action. Structural vulnerabilities continued to hinder the development of landlocked developing countries, which remained marginalized in the international trading system and faced huge challenges when attempting to establish efficient transit transport systems. The international community should provide additional and predictable development assistance to protect the progress made by such countries. In that regard, he called for increased support for landlocked developing countries' and transit developing countries' efforts to address the major obstacles to their development and urged development partners to honour their commitments in that regard.

18. **Mr. Kleib** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), which supported the statement made on behalf of the Group of 77 and China, said that the global financial and economic crisis, combined with the ongoing food and fuel crises and climate change, had given rise to complex and daunting challenges for developing countries, particularly those in special situations. The crisis also undermined the achievement of internationally agreed development goals, including the MDGs, in the least developed countries. Despite some progress since 2001, daunting challenges remained. Indeed, the least developed countries were unlikely to achieve the goals set out in the Brussels Programme of Action.

19. Against that backdrop, genuine partnership between least developed country Governments and their development partners should be strengthened. The international community should support the least developed countries' efforts to mitigate the effects of the crisis and achieve the MDGs and other internationally agreed development goals. In that regard, ASEAN looked forward to the Fourth United Nations Conference on the Least Developed Countries and encouraged United Nations agencies to continue to play a pivotal role in helping the least developed countries achieve their objectives. While most agencies had already mainstreamed the Brussels Programme of Action into their policies and workplans, there was a need for more concrete programmes in support of implementation.

20. Despite the progress made in implementing the Almaty Programme of Action and the Declaration of the high-level meeting of the sixty-third session of the General Assembly on its midterm review, landlocked developing countries' continued marginalization in the international trading system prevented them from fully harnessing trade's potential as an engine for growth, which in turn undermined their efforts to establish transit transport systems and to achieve their development goals, including the MDGs.

21. The Almaty Programme of Action remained a sound global framework for strengthening partnerships aimed at addressing the special needs of landlocked developing countries, and continued efforts should be made to establish viable and predictable transit systems and to facilitate international trade by implementing it. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States should play a more active role, particularly with regard to inter-agency coordination and resource mobilization.

22. ASEAN attached great importance to increasing the capacity of its member States so that they might contribute more to, and benefit more from, its various initiatives, programmes and workplans. An efficient and integrated transport system was essential if ASEAN was to integrate with the global economy, improve competitiveness and enhance the inflow of foreign direct investment. ASEAN underscored the importance of further integrating and developing ASEAN transport through the establishment of an ASEAN Economic Community (AEC) by 2015 and agreed to intensify collective efforts to implement the AEC Strategic Schedule and AEC Scorecard. Moreover, it welcomed the ASEAN Strategic Transport

Plan 2011-2015. ASEAN acknowledged the importance of continued cooperation with its dialogue partners, international organizations, the private sector and other stakeholders.

23. ASEAN also attached great importance to the ASEAN Framework Agreement on the Facilitation of Inter-State Transport, which would facilitate seamless regional cargo transportation; guide member States in the drafting of trade facilitation policies; and support a harmonized, integrated and efficient transport logistics and facilitation environment within ASEAN. Furthermore, ASEAN was committed to activating national single windows in Cambodia, the Lao People's Democratic Republic, Myanmar and Viet Nam, in accordance with the Agreement to Establish and Implement the ASEAN Single Window and the Protocol thereto. Such efforts aimed not only to narrow the development gap among ASEAN member States, but also to address the special needs of ASEAN least developed countries and landlocked developing countries.

24. **Mr. Rai** (Nepal), speaking on behalf of the least developed countries, said that the goals set out in the Brussels and Almaty Programmes of Action would not be met unless special attention was paid to the needs of the least developed countries and landlocked developing countries. Priority should therefore be given to implementing those goals, to addressing shortcomings and to building on the midterm reviews of past years. To that end, cooperation must be enhanced. At the same time, preparations, involving all stakeholders, must be initiated for the Fourth United Nations Conference on the Least Developed Countries, with a focus on concluding a deliverable and tangible programme of action for the next decade. The outstanding organizational issues, meanwhile, must be decided at the current session, as the Conference was fast approaching.

25. As noted by the United Nations Conference on Trade and Development (UNCTAD) in its Least Developed Countries Report 2009, the global economic and financial crisis had undermined those factors that had enabled the strong growth performance of the least developed countries between 2002 and 2007. Low productive capacity had caused a slowdown in development, aggravating poverty, hunger, malnutrition and unemployment. The crisis called for special attention to be paid to countries in special situations.

26. Furthermore, the crisis should not be used as an excuse to renege on commitments relating to ODA, trade, debt relief, investment and technology transfer. Industrialized countries should adopt stimulus packages that took account of the vulnerability of countries in special situations and should refrain from adopting counter-cyclical and protectionist measures. Countries in special situations needed increased and focused international support if they were to address existing and new challenges. Most countries were falling short of the target of 0.15 to 0.20 per cent of GNI as ODA to the least developed countries. ODA levels might even drop because of the crisis. The least developed countries must be given increased funding and assisted in building their productive capacity.

27. The Doha Round should be relaunched as a matter of urgency and least developed country products given duty- and quota-free access. He welcomed the recent steps taken by the European Union in that regard. The international financial institutions, meanwhile, should make more resources available and should improve their levels of transparency, participation and accountability. The outcome documents of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, held in Doha in November/December 2008, and of the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development, held in New York in June 2009, should be implemented with a special focus on the needs of countries in special situations.

28. Urgent and decisive action was needed to address the adverse impacts of climate change, which were hitting countries in special situations the hardest. The international community should provide predictable funding and technical support to ensure that such countries' adaptation needs were met. Moreover, any climate deal reached in Copenhagen must pay special attention to their vulnerabilities and needs.

29. Urgent and decisive action was also needed to address the global food crisis. Short-term food supply and long-term sustainable agricultural development should be improved. The World Summit on Food Security, to be held in Rome in November 2009, provided an opportunity to address institutional weaknesses, commodity trading practices, and global governance and accountability.

30. Lastly, lack of territorial access to the sea, remoteness and isolation from world markets reduced landlocked developing countries' competitive edge and trade volumes. The special needs of such countries vis-à-vis the global financial and economic crisis should be addressed.

31. **Mr. Sipangule** (Zambia), speaking on behalf of the Southern African Development Community (SADC), said that SADC aligned itself fully with the statements made by the representatives of Sudan on behalf of the Group of 77 and China, and Nepal on behalf of the least developed countries. Of the 14 members of SADC, eight were least developed countries and six were landlocked developing countries. Despite having made good progress in its regional economic integration agenda, SADC had not been spared by the global financial and economic crisis, and the least developed countries and landlocked developing countries had been disproportionately affected. The mining, textiles and clothing, agriculture and tourism sectors had been the most affected, resulting in loss of Government revenues, unemployment and reduced investment. The mining sector had been hardest hit, with prices of copper, nickel, uranium and oil falling to or below their 2006 levels in April 2009. The diamond industry had suffered severely in South Africa, with production cuts, staff retrenchment and about 60 mine closures.

32. Consequently, the region was expected to record a marginal 0.1 per cent growth in real gross domestic product (GDP) in 2009, as compared to an average of 5.9 per cent in 2008. The economic gains of the past five years were thus now at risk of reversal. The slowdown was also likely to increase credit risk and reduce the value of asset holdings, weakening the balance sheets of financial institutions and corporations.

33. The least developed countries were at severe risk of losing the hard-won progress made in implementing the Brussels Programme of Action. Those countries were in the weakest position to respond to external shocks and commodity price volatility, owing to their structural weaknesses and lack of capacity. Although ODA, which remained the major source of external financing for least developed countries, had been identified as one of the most significant factors for achieving and sustaining progress in implementing the Brussels Programme of Action, the donor community's agreement to provide 0.15 to 0.20 per cent of GDP as ODA to least developed countries had not yet been fulfilled.

34. The least developed countries were yet to be fully integrated into the global trading system. Duty-free and quota-free market access had not resulted in an increase in their exports' share of world trade, which remained marginal, owing to insufficient focus on raising productive capacities or diversifying exports. However, good progress had been made in implementing the SADC Free Trade Area and preparing for negotiations on a SADC customs union. Those regional efforts needed to be supported by real progress in the WTO Doha Round of trade negotiations. SADC therefore called on the international community to marshal the political will necessary for the successful completion of the Round. At the same time, there was an urgent need to operationalize trade capacity-building for least developed countries through, among other activities, the Aid for Trade initiative.

35. Barely a year remained in the implementation period of the Brussels Programme of Action. While some progress had certainly been made, particularly in human development and governance, the least developed countries still faced significant challenges in such areas as maternal mortality, access to water and sanitation, and gender parity. In order for those countries to make significant progress in reducing poverty and achieving the MDGs, not only would their economies need to sustain growth in GDP of at least 7 per cent per annum, but pro-poor growth strategies would have to be an integral part of their plans and be implemented successfully.

36. The global food crisis would seriously constrain both national and international efforts to achieve a significant reduction in the number of people in the least developed countries living in extreme poverty and suffering hunger. Many least developed countries were net food-importers, and therefore highly vulnerable to the effects of the escalation in food prices. With their efforts to increase food production still constrained by high fertilizer and energy prices, a sustainable solution was urgently needed.

37. SADC had done well in promoting food production. Overall, the region anticipated cereal surpluses in three of the least developed countries, namely Malawi, Mozambique and Zambia, as well as in South Africa. However, many households' access to

food remained difficult owing to low income and high food prices. SADC member countries were, therefore, committed to scale up implementation of the Dar-es-salaam Declaration on Agriculture and Food Security.

38. Climate change posed a serious challenge for least developed countries, as it was having the effect of diminishing productivity and biodiversity. Developed countries must individually and collectively make meaningful and unconditional commitments to reducing greenhouse gas emissions. At the same time, the international community should provide the necessary funds, in a predictable manner and from additional sources, to meet the adaptation needs of the least developed countries.

39. The Secretary-General's report on the implementation of the Almaty Programme of Action (A/64/268) clearly illustrated that most of the challenges facing least developed countries also applied to landlocked developing countries. In addition, their lack of access to the sea, the long distance from major international markets, cumbersome transit procedures and inadequate transport infrastructure all combined to expose those countries to severe negative impacts during the current crisis. The Almaty Programme of Action presented an important framework for addressing those challenges.

40. The SADC region was committed to putting in place a viable and predictable transit system, as well as trade facilitation. To that end, the establishment of the Free Trade Area and Customs Union, together with development of the attendant infrastructure, was a matter of priority. But the cost of the infrastructure, in particular, was beyond the capacity of the members of SADC, and international support would therefore be needed. With that in view, the previous April Zambia had hosted the high-level conference in Lusaka to mobilize resources for the North-South Corridor programme. That corridor was of strategic importance as it was intended to link the three regional economic communities and was, accordingly, a priority of the New Partnership for Africa's Development (NEPAD). Of the eight countries that would be serviced by the corridor, four were landlocked. SADC welcomed the pledges of about $1.2 billion in funding made by development partners at the conference and hoped that those promises would be honoured.

41. Funding constraints remained the single most significant obstacle to the implementation of the Almaty Programme of Action and to infrastructure development programmes in southern Africa. Consequently SADC welcomed the Outcome of the midterm review of the Almaty Programme of Action, and called for accelerated implementation of the Almaty Programme of Action.

42. Most least developed countries aspired to be, and indeed one day would be, middle-income countries. Therefore, it was important for the international community to put in place a framework for smooth transition for graduating countries, ensuring their full integration into the world economy. In the absence of such a framework, countries would be discouraged from graduating, for fear of the difficulties that would lie ahead.

43. SADC also called on the Group of 20 (G-20), and other financial institutions, to implement their financial pledges and the agreements related to the strengthening of financial supervision and regulation; to strengthen the global financial institutions; and to ensure a fair and sustainable recovery of all by adhering to their commitments relating to the Millennium Development Goals.

44. **Mr. Exantus** (Haiti), speaking on behalf of the 14 member countries of the Caribbean Community (CARICOM), said that the Community aligned itself with the statements delivered by Sudan on behalf of the Group of 77 and China and by Nepal on behalf of the least developed countries. The basic situation of the least developed countries had not changed significantly relative to the previous year. Whereas in certain quarters there was talk of an end to the global recession, the least developed countries continued to feel its effects, and their vulnerability to the economic and financial crisis was becoming increasingly evident.

45. As an immediate consequence of the negative effects of the food and the energy crises, the authorities of Haiti, the only least developed country in the Caribbean subregion, had found themselves confronting a series of food riots provoked by the frustration of its citizens at steep rises in the price of basic food products. Over the short term, that situation had placed in jeopardy not only the modest progress made under the Brussels Programme of Action, but also that made in respect of the broader MDGs.

46. The causes of the financial and economic crisis were now well-known, and a certain number of short- and medium-term measures had been put in place to

contain it. Unfortunately, though, the rescue efforts orchestrated by the developed countries — which were the only ones in possession of the necessary resources — did not so far appear to have brought the least developed countries the benefits they were entitled to expect.

47. When the first signs of that crisis had appeared in the financial sectors of the developed countries in the autumn of 2008, some had thought that the least developed countries were so little integrated into the world financial market that they would be protected from harm. That had not been the case, however: the high level of vulnerability of their economies, which depended entirely on external markets, had become evident. However, there were still opportunities to overcome that vulnerability, inter alia by focusing on the Brussels Programme of Action, which embodied all of the goals and objectives of the least developed countries and their development partners. In that context, the Fourth United Nations Conference on Least Developed Countries, taking place after the 2010 high-level meeting on the MDGs and at the midpoint towards the target date of 2015, would be a unique opportunity for the international community to stimulate economic and social development in the least developed countries.

48. In a situation where the least developed countries were facing a set of new challenges and would have to face others which were yet to come, a business-as-usual attitude was unthinkable: it was time to start doing things differently. ODA for example, would increase in importance in the evolving situation of the least developed countries, since a net decrease in foreign direct investment (FDI) was anticipated, with its major impact being expected to be felt in natural resources exploration and the extractive industries. It would therefore be essential that donor countries maintain their aid to least developed countries at the pre-crisis levels, and honour, without any delay, their commitments to increase them.

49. CARICOM welcomed the measures taken at the multilateral level by the World Bank and the International Monetary Fund (IMF) following the meeting of 26 April 2009 of their joint Development Committee, which had recognized the need not only to translate commitments into concerted action, but also to mobilize additional resources. The expansion by the International Finance Corporation of its Global Trade Finance Programme, the establishment by the Bank of its Infrastructure Recovery and Assets Platform, the doubling by IMF of the ceilings of the Poverty Reduction and Growth Facility and the Exogenous Shocks Facility for the benefit of low-income countries severely affected by the global economic recession had been very encouraging initiatives which CARICOM highly welcomed. If effectively implemented, they would certainly stimulate the least developed countries' productive capacity, an area in which they suffered chronic insufficiency.

50. CARICOM expressed the hope that in addition, countries' bilateral partners would also all honour the commitments which they had made in the framework of the Brussels Programme of Action to grant 0.2 per cent of their GNP to the least developed countries as ODA.

51. **Mr. N'Golo Fomba** (Mali), speaking on behalf of the landlocked developing countries, said that their extremely high transportation costs, as well as other non-tariff barriers and extended transport times, made their products too uncompetitive for them to participate to any great extent in world trade. The 2008 midterm review of the Almaty Programme of Action had shown the challenges still facing those countries. They remained very vulnerable, and the precariousness of their situation had been exacerbated by the negative effects of climate change and the various crises that had hit the world. With the economic slowdown that the latter had caused, both income from trade and foreign direct investment had dropped sharply. Moreover, the landlocked developing countries received only modest amounts of official development assistance or foreign direct investment. They had taken note of the measures set out by the G-20 for the poorest countries, and hoped that particular attention would be paid to the landlocked developing countries when such measures were implemented. The landlocked developing countries also called on all Member States to demonstrate sufficient flexibility for the Doha Round negotiations to be restarted and brought to a successful conclusion. Nothing would happen if each side waited for the other to make the first move. It would also be desirable if those landlocked developing countries that were not yet members of the World Trade Organization were to be assisted to join.

52. **Mr. Elangovan** (India) observed that enhanced and targeted assistance was needed from the developed world to help least developed countries, particularly in implementing much-needed countercyclical measures. What was required was an integrated strategy,

combining both short-term and long-term assistance measures, so that structural constraints were addressed. Foreign direct investment needed to diversify and enhance productive capacity, rather than remain concentrated in only a few least developed countries rich in natural resources. Trade capacity must be built up so that trade opportunities could be exploited. There must be enhanced market access for products of least developed countries, and massive agricultural subsidies by developed countries must be eliminated so that domestic production could increase. Institution- and capacity-building efforts must be increased.

53. The Brussels Programme of Action provided the necessary framework for putting the least developed countries on a path of sustained growth. What was lacking was full implementation. Thus India looked forward to the Fourth United Nations Conference on the Least Developed Countries in 2011, where it was to be hoped that further concrete actions would be planned. It was important that the preparatory process for the conference be substantive and thorough. However, India would caution against proposals in the Secretary-General's report that diluted the principle of common but differentiated responsibilities.

54. In 2008, India had unilaterally announced a scheme to grant duty-free and preferential access to products from all least developed countries, covering 92.5 per cent of their global exports. India had also written off the debt owed by seven highly indebted poor countries. India's technical and economic cooperation had a special focus on assistance to least developed countries in general, and to those in its extended neighbourhood in particular. However, efforts by fellow developing countries like India could only be a complement to the necessary efforts of the developed country partners.

55. Landlocked developing countries formed another group of countries severely affected by the financial crisis, which had increased the marginalization of many of those countries from the international trading system, particularly on account of the contraction in demand in developed countries and the consequent fall in landlocked developing country exports. Full implementation of the Almaty Programme of Action was thus imperative, particularly through sustained international support and enhanced financial and technical assistance. In that context, the midterm review of the Programme had identified useful points for action. The international community must continue with its efforts to address trade and transit issues in a holistic way, remaining cognizant that any effective solution must address the difficulties faced by the transit developing countries neighbouring landlocked developing ones.

56. As a transit developing country, India was active in enhancing its close and historical links with its landlocked neighbours. Landlocked countries with a contiguous border with India had special bilateral cooperation agreements for easy transit of their goods.

57. **Mr. Liu** Zhenmin (China) said that China, while thanking the Secretary-General for his reports, did not agree with the view expressed in paragraph 96 of the one on the Third United Nations Conference on the Least Developed Countries (A/64/80-E/2009/79), considering it to be not in line with the United Nations Framework Convention on Climate Change .

58. The least developed countries and the landlocked developing countries had been major victims of the financial and economic crisis, with their overall development gains critically rolled back, their domestic development challenges increasingly acute, their external development environment markedly deteriorated, and their future development tasks more formidable. According to World Bank estimates, the financial and economic crisis would increase the population living in poverty by 55-90 million, and the least developed countries and landlocked developing countries would have a far larger share of that increase than other countries. The international community must therefore pay special attention to their plight and provide strong support to them in overcoming their development challenges.

59. Only one year away from the target date for the completion of the Programme of Action for the Least Developed Countries for the Decade 2001-2010, there was evidence of a considerable gap between those countries' development achievements and the objectives set forth in the Programme of Action, and the current crisis threatened to further widen that gap. In order to prevent the situation from becoming a development crisis for the least developed countries, the international community should strengthen its support to the least developed countries in the area of trade financing, work to avoid drastic fluctuations in commodity prices, continuously improve market access for the least developed countries' exports, and resolutely combat protectionism in all its forms. The

international community should also continuously scale up investment in the least developed countries in the areas of infrastructure, productivity and services, and endeavour to help them to restructure their economies, which were too dependent on production of commodities.

60. The developed countries should ensure that the current crisis did not cause a reduction in their ODA, and should honour their commitment to allocate 0.15-0.2 per cent of their GNP to ODA for the least developed countries.

61. The Fourth United Nations Conference on the Least Developed Countries scheduled to be held in 2011 would identify the priorities for the international community's efforts to support those countries in the next decade. Agreement should be reached soon on timing and venue, so that substantive preparations could go into full swing.

62. The midterm review of the Almaty Programme of Action in 2008 had clarified the priorities for future cooperation. Support from the international community to the landlocked developing countries should be more targeted, concentrating on addressing the prohibitive transit transport costs which were the biggest impediment to their development. The international community should strengthen efforts in several aspects, for example, by striving for substantive progress in the Doha Round of trade negotiations and actively promoting coordination of transit transport policy both regionally and internationally. It should also endeavour to prevent the current crisis from impeding investment in the infrastructure of the landlocked developing countries, energetically support private sector involvement in infrastructure development.

63. While experiencing tremendous difficulties itself as a result of the current financial and economic crisis, China had worked hard to contribute to the recovery of the world economy by maintaining its own economic stability and growth. It had fulfilled its commitments in full and on time in terms of debt relief and trade preferences, taken an active part in the trade financing and emergency relief plans of such institutions as IMF and resolutely resisted the protectionism that seriously undermined the interests of the developing countries.

64. **Ms. Aitimova** (Kazakhstan) said that during the current global economic crisis, the inherent vulnerability of landlocked developing countries had exposed their economies to severe adverse impacts in the form of trade financing difficulties, contraction in flows of investments, potential reduction in ODA flows and, most important, cuts in export demand and falling commodity prices. Lack of direct access to seaborne transportation, remoteness from major markets and sources of supply and inefficient transport infrastructure continued to be the main factors behind high transport costs for landlocked developing countries.

65. There was an urgent need for predictable and concessional financial resources to assist landlocked developing countries facing financing and infrastructure gaps. Technical capacity-building was also crucial in addressing the emerging challenges. At the same time, it was important to fulfil all financial commitments for development already made, including those under the Aid for Trade initiative and emergency assistance in line with the revised procedures of the international financial institutions.

66. Kazakhstan was committed to implementation of the Almaty Programme of Action. Its Government was taking concrete and results-oriented actions on trade and transport facilitation issues, including modernization of existing infrastructures, increasing the commercial efficiency of transport services and removal of physical and non-physical barriers to development of transit transportation. Additionally, Belarus, Kazakhstan and the Russian Federation would establish a customs union with effect from 1 January 2010.

67. Kazakhstan had already begun implementation of a large-scale road project to link Europe with western China, using funds from international financial institutions. The expected benefits from the project included greater development opportunities for the people of the region and reduced transportation costs.

68. In 2010 Kazakhstan would become Chairman of the Organization for Security and Cooperation in Europe (OSCE). In that capacity, it would work towards developing Eurasian transcontinental transport corridors and creating favourable conditions for sustainable and secure transportation in the OSCE region.

69. **Ms. Zvereva** (Russian Federation) said that her delegation shared concerns that the hard-won achievements resulting from the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 might be lost in

the wake of the global food, energy, financial and climate crises. The international community needed to provide assistance to least developed countries so that their extremely vulnerable economies could not only withstand external shocks, but also continue to grow at sustainable rates.

70. The Russian Federation supported the principle of global partnership for development by making financial contributions to multilateral development programmes and initiatives, including the G-20 initiative to assist the countries worst affected by the crisis, and had recently concluded an agreement with the World Bank to allocate $50 million to a trust fund established as part of a set of urgent social protection measures. Additional opportunities for the provision of bilateral assistance were also being considered.

71. Meanwhile, her country's annual voluntary contribution to the World Food Programme (WFP) had increased to the record level of $24.3 million in 2009. Its support for food assistance programmes through other channels was also increasing, including a $7 million contribution to a multilateral trust fund established by the World Bank under its Global Food Crisis Response Programme.

72. Foreign trade played an important role in the economic recovery and subsequent development of least developed countries. The Russian Federation was making its contribution through the application of a special preferential regime to the goods of least developed countries.

73. Her delegation welcomed the decision to convene the Fourth United Nations Conference on the Least Developed Countries in 2011. The mandate for it, laid down in General Assembly resolution 63/227, provided the impetus to bolster partnerships between least developed countries and their development partners in the light of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and lessons learned.

74. Her delegation reaffirmed its commitment to the objectives of the Almaty Programme of Action; the Russian Federation's geographical location made it a key link in the Eurasian transport infrastructure. In that connection, she recalled the recent entry into force of two important agreements which would further expand the region's transport network, namely the Intergovernmental Agreement on the Asian Highway Network and the Intergovernmental Agreement on the Trans-Asian Railway Network, and noted that the Russian Federation was also engaged in a number of subregional projects to establish international transport corridors, including the plan to build a ring road around the Black Sea.

75. **Mr. Apakan** (Turkey) observed that while the progress achieved in the implementation of the Brussels Programme of Action for the Decade 2001-2010 had been uneven, the impacts of food insecurity, volatility in energy prices and climate change were now more heavily felt by the least developed world as a consequence of the economic and financial crisis. According to UNCTAD estimates, 53 million people would fall below the poverty line in 2009, while the Food and Agriculture Organization of the United Nations (FAO) predicted that the number of the hungry was likely to increase by 105 million.

76. Climate change presented a clear danger for all of mankind. Vulnerable communities in the least developed countries, and in small island developing States in particular, were already suffering its severe impacts in their daily lives. It was time to provide a joint, credible response to that global challenge. Both developed and developing countries should gear their efforts towards mitigation and adaptation in mutual trust, without putting sustainable development initiatives in jeopardy.

77. Considerable progress had been made in the implementation of the Almaty Programme of Action, which provided a solid framework for international cooperation to address the challenges faced by the landlocked developing countries. Efforts should be pursued to promote closer cooperation between those countries and their development partners, as well as partnerships between them and transit countries through regional cooperation mechanisms. However, the challenges they faced were not confined to geographical constraints, but also comprised structural inadequacies. Investments in infrastructure and capacity-building were necessary in order to overcome those challenges in an integrated manner.

78. To transform the challenges of globalization into opportunities for the least developed world, there was a need for stronger global partnership. The United Nations, as the major organization with global membership, was capable of pioneering and coordinating efforts to that end coherently and effectively. As part of those efforts, development cooperation beyond a mere transfer of

financial resources was required. That was the approach governing Turkish development assistance efforts, in particular through the projects undertaken by the Turkish Internat: nal Development Cooperation Agency, TICA, which included infrastructure investments, know-how and technology exchange, and training of skilled personnel.

79. Turkey attached great importance to the conclusion of the Doha Round of trade negotiations in a way which would benefit the most vulnerable countries by enabling them to be integrated into the multilateral trading system. Free market access and capacity to compete in the international trade system were essential components in enhancing opportunities for the least developed countries. However, it should also be acknowledged that only a limited number of countries, including Turkey, had fulfilled their commitments to avoid protectionism during the crises.

80. The Fourth United Nations Conference on the Least Developed Countries in 2011 would mark the end of the decade for implementation of the Brussels Programme of Action. The international community must focus in the following decade on tangible measures. That was a shared responsibility, one that would require strong and renewed commitments. Turkey was confident that both the preparations for that Conference and its follow-up would be conducted in a spirit of partnership and solidarity.

The meeting rose at 1 p.m.

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Chairperson: Mr. Mićić (Vice-Chairperson) ..... (Serbia)

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In the absence of Mr. Park In-kook (Republic of Korea), Mr. Mićić (Serbia), Vice-Chairperson, took the Chair.

The meeting was called to order at 3.15 p.m.

Agenda item 56: Groups of countries in special situations (*continued*)

(a) Third United Nations Conference on the Least Developed Countries (*continued*) (A/64/80-E/2009/79)

(b) Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation (*continued*) (A/64/268)

1. **Mr. Jiménez Sauma** (Mexico), speaking on behalf of the Rio Group, said that the magnitude of the financial, economic, food and climate crises indicated that a change in development paradigms was necessary. The financial and economic crisis would have a greater impact on the least developed countries, because of their high levels of debt. During 2009, trade would contract by 9 per cent, the highest contraction since 1945. That, together with the drop in prices of raw materials on the global market and protectionist measures taken by developed countries, added up to a bleak outlook for the least developed countries and the landlocked developing countries. A prompt and satisfactory conclusion of the Doha Round negotiations was thus essential. Additional, predictable assistance for development, in the form of speedy loans on flexible terms, was urgently necessary.

2. A political commitment to fight climate change was needed in order to meet the Millennium Development Goals (MDGs). The least developed countries had made progress on the MDGs, particularly in the areas of health and education, but better access to water and sanitation was needed, and not enough progress had been made on gender equality in education. There had been no progress whatsoever in the area of maternal mortality. Malnutrition was worsening, particularly among women and children. In the least developed countries, nearly 50 per cent of the population lived in extreme poverty.

3. Haiti was the only member of the Rio Group which was a least developed country. Solidarity with Haiti in the region was active and resolute.

4. The Almaty Programme of Action was a strong framework for fostering partnerships, and its implementation should be further accelerated. The consequences of the financial and economic crisis would be more acute for the landlocked countries, and their challenges and vulnerabilities should be recognized. Addressing the special needs of landlocked countries in the Rio Group's region would also benefit countries of transit.

5. **Mr. Ali** (Yemen) said that the recent crises had made it impossible for less developed countries to meet the MDGs by 2015. The international community must therefore make a concerted effort to assist them in facing the challenges thus posed. In that connection, his country would participate actively in the high-level plenary meeting of the General Assembly on the MDGs, at which no new commitments should be sought; instead, Member States should focus on the creation of new and effective mechanisms so that donor States could fulfil their existing commitments.

6. His country had been greatly affected by the decline in the price of oil, the sale of which constituted nearly 75 per cent of its national income. The Government had been forced to cut its spending by 50 per cent in 2009, which had slowed development efforts and the fight against poverty. The recent food crisis had nearly wiped out the gains made over the past eight years in the struggle against malnutrition. According to Government statistics, more than 20 per cent of Yemeni families faced food insecurity, and nearly 7 per cent of them were living in severe hunger. According to some international reports, Sana'a would become the first capital city in the world to exhaust its supply of drinking water by 2025.

7. His delegation called on donor States to take additional practical measures to fulfil their official development assistance (ODA) commitment of 0.2 per cent of gross national income (GNI) to the least developed countries. In that connection, his Government called on the international community to reconsider the amount of ODA given to Yemen, as the amount it received per capita was less than half what it was in other countries with a similar economic profile.

8. Foreign debt was an onerous burden for the least developed countries, as servicing it detracted from

expenditure on achieving the MDGs. The developed countries and international financial institutions should therefore act urgently to cancel debt or provide debt relief.

9. **Ms. Namgyel** (Bhutan) said that the least developed countries were vulnerable to developments beyond their control and for which they were not responsible. The Brussels Programme of Action had proven appropriate and relevant, and progress had been made towards meeting its goals and targets. Many least developed countries that had implemented it had experienced steady growth in the agreed areas. However, much of the progress achieved could be reversed as a result of the current crises and the numerous and severe natural disasters of recent years.

10. Bhutan had been one of the first countries to conduct a Millennium Development Goals Needs Assessment and Costing exercise. According to the results of that exercise, Bhutan would need some 2.5 billion dollars between 2006 and 2015 to achieve the Goals. However, due to the subsequent crises and destruction caused by recent floods and earthquakes, that figure would now be much higher. While Bhutan was on track to achieve most of the MDGs, it was hoped that the recent setbacks and crises would not impede progress.

11. The preparatory processes for the Fourth United Nations Conference on the Least Developed Countries set for 2011 and the Conference itself must be used to increase the impetus generated by the Brussels Programme of Action. ODA was the most important source of external financing for many least developed countries. The total amount required for the least developed countries to achieve their MDGs was probably far in excess of what donors had so far committed.

12. **Mr. Korea** (Togo) said that the least developed countries had experienced numerous difficulties in an extremely short period of time, including an increase in oil prices, which had caused inflation to rise and hampered growth; an increase in food prices, which, rather than helping farmers, had led to higher seed prices and tighter credit; a worsening economic situation and development prospects and a drop in demand for exports.

13. The crises compromised budgetary viability. Public debt and limited access to international capital markets meant that the least advanced countries had few opportunities to borrow the funds needed to meet obligations under the Brussels Programme of Action and the MDGs.

14. The situation was even worse in Togo than elsewhere, as its development partners had suspended assistance for 15 years owing to the socio-political crisis from which the country had just emerged. Each day, the country was moving further and further from meeting its development goals. While there had been progress on political, institutional and economic governance, the targets for growth and investments rate would not be met. There was still much to do in the areas of education, health and employment, in particular for young people and women. Investment was down in all sectors. Serious flooding had had devastating effects. The Government had decided to mainstream environmental issues into its development strategies and programmes. Overall, the situation was grim, and it had been made worse by a drop in ODA. Now was the time for the wealthy countries to take bold measures to assist the least developed countries.

15. His delegation agreed with the Secretary-General that the developed countries should lower barriers to exports from the least developed countries and reduce subsidies for their own exports. The Doha Round should be brought to a successful conclusion. The principle of common but differentiated responsibilities should be adopted and applied in the context of negotiations for a new climate change agreement. Development partners should consider increased funding for climate change adaptation in the least developed countries. Additional resources must be made available to feed the most vulnerable, as hunger continued to spread. The debt crisis, one of the greatest economic disasters of all time, must be reconsidered in the light of the current context.

16. **Mr. Gotta** (Ethiopia) said that the least developed countries had not benefited from globalization, remaining marginalized in spite of all their efforts to integrate into the global economic mainstream. It was incumbent upon the international community to assist them. The least developed countries had made considerable efforts to fulfil their commitments under the Brussels Programme of Action. As a result, their gross domestic product (GDP) had grown markedly, poverty had declined, good governance was taking root and progress was being made towards universal education. They had attracted some foreign direct investment, promoted tourism and

made strenuous efforts to diversity their export base. Nonetheless, the share of least developed countries in foreign direct investment was low, and the bulk of it was concentrated in a few resource-rich countries, while their shares of global tourism and trade were under 1 per cent. Supply side and demand side constraints limited the utilization rate of preferential market access by the least developed countries.

17. The least developed countries had made credible efforts to respond to the difficult socio-economic situation, but they had suffered due to crises not of their making. While it was encouraging that ODA to those countries had grown, it still fell short of the Brussels Programme target. Only 8 of the 22 Development Assistance Committee countries had met the target.

18. During the past 18 years, Ethiopia had been undergoing political and economic transformation, with impressive results. Ethiopians now went to the polls every five years, and the economy had seen double-digit growth for the past five years, with similar growth expected for the current year. Significant headway had been made against poverty. Many measures had been taken to create an enabling environment in the private sector, and the private sector had mushroomed. According to recent figures, primary school enrolment stood at 97 per cent.

19. Since the founding of the Group of Least Developed Countries in 1971, its membership had increased from 23 to 49. Only two countries had graduated from the group. That was indicative of a collective failure. Weaknesses and failures must be looked at critically, and an appropriate course of action for the ensuing decade must be charted, leading to successful graduation from the group of larger numbers of countries.

20. In accordance with the Almaty Programme of Action, Ethiopia had taken measures to support the transit and transport sector, including establishing railway corporations, a dry port services enterprise and a maritime affairs authority. Dry ports were under construction, and one was already operational. There was a project to develop 5,000 kilometres of a national railway over the next five to seven years. Ethiopia's airline industry led those of all the other least developed countries. Ethiopian Airlines had flights not only to all contiguous countries but also to a number of other destinations in Africa and the rest of the world. Telecommunications were being modernized and a major investment had been made in roads.

21. **Mr.** Mohamed Cherif **Diallo** (Guinea) said that despite signs of recovery, the least developed countries continued to suffer greatly as a result of the economic crisis. Not only were they unable to afford to respond to the current crisis, but there was also the risk that development progress made in recent years could be reversed. In that context, recent commitments by the Group of Twenty (G-20) to aid the least developed countries were welcome.

22. From 2004 through 2007, the least developed countries had achieved an average annual growth rate of 7 per cent. That percentage had dropped slightly in 2008 and was expected to drop further in 2009. There had been considerable progress in reducing conflict, achieving stability, advancing democracy, promoting the rule of law, combating corruption and moving towards grass-roots decision-making, gender equality and universal access to primary education. However, poverty had been rolled back only slightly, and the share of the least developed countries in world trade remained slight. HIV rates, though down, were still high, and malaria remained a leading cause of infant mortality.

23. Bold action was called for. Donors were urged to work to bring down the external debt of the least advanced countries and remove obstacles to the export of products from those countries. The least developed countries had suffered more than others from the breakdown in the Doha Round.

24. **Mr. Zinsou** (Benin) said that palpable progress had been made on some of the Brussels Programme of Action commitments, but owing to the financial and economic crises, which had compounded the effects of the food, energy and climate change crises, those results might not be lasting. While economic growth in Africa between 2004 and 2008 had been 6 per cent, in 2009 it would probably go down to 2 per cent. The economies of the African countries rested to a large extent on export of natural resources, whose prices were now in free fall. Africa had been hit hard by the drop in export revenue and foreign investment. In that connection, the least developed countries were urged to participate actively in the negotiations on a pilot programme for the launch of the activities of the International Migrants Remittances Observatory. Benin

was chairing the pilot programme working group of the Observatory.

25. Africa was forced to follow pro-cyclical policies and to accept rigid conditions to receive support from the international financial institutions, while the developed countries had the luxury of taking advantage of counter-cyclical measures to relaunch their economies.

26. The conditions for integrating Africa into the world economy needed to be reconsidered, and an approach developed which would allow the African countries to benefit from their comparative advantages in order to improve living conditions and eliminate extreme poverty. The least developed countries should receive financial support. Unmet commitments should be fulfilled so that the development goals could be met.

27. Benin supported the efforts of the Secretary-General, through the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS) to organize the Fourth United Nations Conference on the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

28. **Mr. Gaumakwe** (Botswana) said that landlocked developing countries faced particular challenges. High transportation costs complicated their business and trade activity. According to the report of the Secretary-General, landlocked countries in Africa paid 33 per cent more in inland transportation costs than did landlocked countries elsewhere in the world. That meant that commodities originating from landlocked developing countries, especially those in Africa, were less competitively priced. At the same time, the cost of moving such goods, when added to input costs, meant that many goods and services were out of reach of many people in the developing world.

29. Botswana valued the support and cooperation it received from transit and coastal neighbouring States, which granted use of their railway systems, ports and roads for the movement of Botswana's imports and exports. Its location meant that Botswana was one of the principal transit countries serving the corridor linking South Africa and Namibia to the west and the corridor linking the Democratic Republic of the Congo and Zambia in the north to South Africa in the south.

30. Efforts should be made in the provision of infrastructure and technology to cover the entire routes of transport and trade corridors. Investment in only part of a trade route would undermine export performance and receipts for the whole region. Investment in regional transport corridors, information systems and modern customs facilities at border crossings was necessary for economic diversification. OHRLLS should continue assisting the landlocked developing countries through resource mobilization. Donor countries should consider increasing infrastructure spending beyond 10 per cent of bilateral ODA for sub-Saharan Africa.

31. **Ms. Adam** (Maldives) said that her Government attached great importance to the full implementation of the Brussels Programme of Action and the attainment of the MDGs. The current economic, food and climate change crises were likely to slow down, or even reverse, progress towards reducing poverty.

32. The General Assembly had decided five years earlier to graduate Maldives from the least developed countries, and its transition period leading to graduation in 2011 had already begun. In the current turbulent economic environment, graduating from the least developed countries within two years posed a unique challenge. Maldives had formulated a long-term smooth transition strategy. Economic and Social Council resolution E/2009/L.35, adopted by consensus on 29 July 2009, had called for an independent system-wide assessment of United Nations support for small island developing States.

33. The financial and economic situation had seriously undermined trade, financial flows, jobs, investment, remittances, debt servicing and tourism in Maldives. The continued deadlock in the Doha Round was a source of concern. The economic crisis should not serve as an excuse to stall ODA, trade, debt relief, investment and technology transfer commitments. Developed countries should refrain from building protectionist measures into economic stimulus packages.

34. Environmental degradation was the biggest threat to socio-economic progress in Maldives. Small island developing States could not afford inaction. Such States contributed the least to global warming, yet their very existence was threatened. Extreme weather patterns had forced Maldives to divert limited resources to programmes designed to enable the

country to survive climate impacts. Maldives planned to become carbon-neutral within 10 years, and in November 2009 would be hosting a forum of States vulnerable to climate change.

35. Maldives had embarked on major economic reform to generate revenue, develop infrastructure and improve public services through a programme of privatization, public-private partnerships and investments. Because it imported most of its food and all of its energy resources, Maldives had suffered greatly from high food and oil prices.

36. **Mr. Carbajal** (United States of America) said that his Government was committed to working with least developed country partners as part of the global response to the world recession, rising food insecurity and caring for the sick. The United States was consulting with those partner nations on collective efforts to overcome the world financial crisis and improve the global financial architecture.

37. The United States would be committing at least $3.5 billion over the following three years to promote agricultural development in developing countries, had catalysed momentum at the 2009 Group of Eight Summit in L'Aquila, Italy, where donors had collectively committed $20 billion to that goal, and was committed to working with its least developed country partners to advance and implement country-led agricultural development programmes and strategic coordination. His Government had also launched a major health initiative that would benefit many least developed countries: it had set aside $63 billion to combat HIV/AIDS, end deaths from tuberculosis and malaria, eradicate polio and strengthen public health systems, and had joined with other countries to contribute vaccines for influenza A (H1N1) to the World Health Organization.

38. **Mr. Aguiar Patriota** (Brazil) said that tariff preferences for agricultural and commodity exports from least developed countries to developed countries were not a stable or reliable means of helping them achieve market access; liberalization of trade in agriculture was preferable. Moreover, a successful conclusion of the Doha Development Round would be crucial to help those countries to meet their development objectives.

39. Least developed countries were affected differently by the economic crisis depending on their situation, as well as on their levels of debt sustainability and exposure to the effects of climate change. Social protection policies and measures were a critical component in national and international responses to the economic shockwaves that had affected developing countries in 2008 and 2009. The decisions taken by G-20 leaders had been a welcome step towards stabilization of conditions for the continued growth and welfare of least developed countries, and Brazil continued to support such measures as a means to boost trade and safeguard development in low-income countries. Developed countries needed to deliver on their ODA commitments and continue to improve on the transparency, accountability and local ownership of assistance provided. South-South cooperation in particular should be further enhanced and supported by the United Nations development system as a complementary means to help support implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010. Efforts in that regard should not follow Organization for Economic Cooperation and Development principles of aid effectiveness, but principles and guidelines accommodating the specific characteristics of South-South cooperation, based on solidarity, equality, mutuality and local ownership. The upcoming Conference on South-South Cooperation in Nairobi would be an opportunity to discuss that, and the Special Unit for South-South Cooperation of the United Nations Development Programme (UNDP) and the Unit for Economic Cooperation and Integration among Developing Countries of the United Nations Conference on Trade and Development (UNCTAD) should provide the required support in that endeavour, in cooperation with OHRLLS.

40. The reference made in the Secretary-General's report on implementation of the Programme of Action for the Least Developed Countries (A/64/80) to a possible linkage between funding for cooperation and levels of carbon emissions was surprising; it did not reflect any internationally agreed understanding, and South-South cooperation was not subject to any overarching mandatory obligation. The Fourth United Nations Conference on the Least Developed Countries would provide an opportunity to evaluate the effects of the current economic situation on implementation of the Programme of Action, and address possible weaknesses and uneven progress in that regard.

41. In Latin America, efforts to tackle the issue had received the crucial support of the Economic Commission for Latin America and the Caribbean (ECLAC) and resulted in several important initiatives, including a report by that Commission and OHRLLS on the transport situation of landlocked and transit countries in Latin America which provided a positive evaluation of the regional projects outlined in the Initiative for the Integration of Regional Infrastructure in South America, implementation of which contributed to the achievement of the objectives of the Almaty Programme of Action. A working group on infrastructure had also been created under the Union of South American Nations, to analyse integration projects and funding, some of which were of potential value and interest to South American landlocked developing countries.

42. **Mr. Lukwiya** (Uganda) said that Uganda belonged to both groups of countries in special situations, and successful implementation of the Brussels Programme of Action and the Almaty Programme of Action was a priority for his Government. With the support of the United Nations system and other development partners, Uganda had made efforts to implement the specific actions called for in both programmes of action, but implementation was affected by the disproportionate impacts of the current economic, financial, energy and food crises, with climate change having particularly affected the transport infrastructure of landlocked developing countries. Despite the recent rise in primary commodity prices, the multiple constraints those countries faced had prevented effective diversification of their productive capacities, and the extreme price volatility in 2008 had significantly affected their economies. The severe difficulties faced by least developed and landlocked developing countries had greatly weakened the competitiveness of their domestic economic operators, leading to low overall economic performance and thus to increased poverty in many of them.

43. If it struck a right balance, cooperation at the subregional and regional levels, including South-South cooperation, had great potential to help reduce poverty in those countries. Uganda had played a role in that respect through its continued support for the strengthening of the East African Community (EAC). Also, as both a landlocked and a transit country, it had contributed through a transport corridor linking various countries in the region to the port of Mombasa and had hosted a tripartite summit to discuss the creation of a free trade area across three of Africa's main regional economic communities — the Common Market for Eastern and Southern Africa, EAC and the Southern African Development Community. Another initiative with great potential for helping the broader region was the development, financing and implementation of joint infrastructure programmes and cross-border projects. All those fundamental policy developments helped to integrate the economies of least developed and landlocked developing countries into the global trading system.

44. Integrated and coordinated support from the international community, particularly its commitment to a universal, open, equitable, rules-based and non-discriminatory trading system, was essential to help those countries to successfully achieve their goals. Uganda thus called on all members of the World Trade Organization (WTO) to secure the conclusion of the Sixth WTO Ministerial Conference held in Hong Kong in 2005, and to work towards the elimination of all forms of export subsidies by 2013 and towards duty-free and quota-free market access for products from least developed countries. Also important were the Enhanced Integrated Framework for Least Developed Countries and Aid for Trade; such aid should constitute additional resources rather than recycle existing official development aid, and could not be a substitute for the successful outcome of the Doha Development Agenda negotiations. ODA was a key requirement for and supplement to growth and development in both least developed countries and landlocked developing countries, and in order to fulfil the internationally agreed commitments in the framework of the MDGs, donors must continue to work towards meeting their targets. Achieving the objectives of the Brussels and Almaty Programmes of Action required greater donor focus on enhancing the productive capacity of those groups of countries and increased aid to physical infrastructure, particularly roads and railways.

45. **Mr. Tag-Eldin** (Egypt) said that while some progress had been made in recognizing the special needs and problems of least developed countries and landlocked developing countries, those countries remained vulnerable to external shocks and to the multiple challenges the international community faced, and were marginalized with respect to international trade. In that respect, special attention should be given

to their needs in the Doha Round. Implementation of the specific actions outlined under the Almaty Programme of Action needed to be accelerated in order to help landlocked developing countries establish efficient transit transport systems. South-South cooperation and triangular cooperation should be strengthened, through donor involvement and cooperation among relevant subregional and regional organizations, so as to help address the special needs of both groups of countries.

46. Since the current food, energy, climate and financial crises would compound the challenges those countries faced in achieving their development objectives and constrain their efforts at programme implementation, development partners must double their efforts to support both groups of countries. To meet the need for sufficient and predictable levels of ODA, developed countries must fulfil their commitments to provide 0.15 to 0.20 per cent of gross national income (GNI) to the least developed countries.

47. As a means of support of South-South cooperation, Egypt had established two funds which involved cooperation on a triangular basis as well as with various United Nations bodies and donor countries, provided recipient countries with training and expertise and helped them to build their capacities and improve services for the implementation of national strategies. They also enabled providing humanitarian assistance in response to appeals from United Nations bodies.

48. With reference to paragraph 96 of the Secretary-General's report (A/64/80), Egypt agreed that resources to address the adverse impact of climate change should be additional to ODA flows, but rejected the reference to mandatory contributions being based on countries', including developing countries', level of carbon emissions, as that did not reflect the principle of common but differentiated responsibility, the historical responsibility of developed countries or the terms of the United Nations Framework Convention on Climate Change.

49. **Mr. Dos Santos** (Paraguay) said that it was urgent to ensure the effective and timely implementation of the Almaty Programme of Action, which would help to incorporate countries like Paraguay into the world's leading markets. As ODA was the main source of funding for landlocked developing countries, he urged the international community and donor agencies to allocate resources to fill the infrastructure funding gaps of those countries. Paraguay gave priority to South-South cooperation, but stressed that it must be complementary to North-South cooperation. Climate change was another priority for Paraguay, which was directly affected by the phenomena of desertification, reduced precipitation, reduced availability of water and extreme weather.

50. **Mr. Khan** (Pakistan) said that the United Nations system, in close collaboration with the Bretton Woods institutions, should urgently take stock of the impact the current crises were having on countries in special situations. That exercise should include setting out the specific measures that were needed to allow those countries to sustain the growth momentum gained over the years, and to scale up their efforts to move towards the next higher development level, with support and assistance from the international community, in line with its commitments.

51. Pakistan strongly supported both least developed countries and landlocked developing countries in their quest for greater and across-the-board recognition of their special financial and technical needs. It would also work actively towards reaching a prompt decision on the process for preparing the Fourth United Nations Conference on the Least Developed Countries, and, as a transit developing country, actively participated in the Almaty Programme of Action and remained committed to providing easy, efficient and expeditious transit access for its landlocked neighbours, so as to help them expand their international trade. Promoting regional connectivity and becoming a regional transit hub was a central pillar of Pakistan's national vision for its trade and transport sector.

52. Climate change, which posed a challenge to all countries and added a new dimension to the challenges vulnerable countries already faced, required ever more vigilant monitoring of the general global scenario, so that country vulnerabilities and the impact that crises like that of climate change had on poor countries could be accurately assessed, and all the risks and adverse impacts quantified. The Committee for Development Policy could play an important role in that respect and should carry out a full and comprehensive review of the issue of country classification, based on a new, comprehensive and science-based definition of vulnerability covering physical, economic and climate-related aspects.

53. **Mr. Naeemi** (Afghanistan) said that the goals and targets laid out in the Brussels Programme of Action had the components needed to help least developed countries navigate their way towards sustained growth and stability. His Government had taken important steps towards achieving those goals since 2001, in partnership with the international community. It had put millions of children back to school, although difficulties remained in that respect, in rural areas in particular, because of lack of security and terrorist attacks; most Afghans had access to basic health services and the rate of infant and maternal mortality had been significantly reduced; a number of water points had been constructed in the drought- and conflict-affected parts of southern Afghanistan and numerous initiatives had been taken to prevent environmental degradation. However, only about 20 per cent of the entire population as yet had access to safe drinking water. The country had also achieved significant economic growth, which had generated better livelihoods, yet Afghanistan remained one of the poorest countries in the world, with 70 per cent of its population living in poverty. Poverty and unemployment contributed to the increase in terrorist activities in the country, and could jeopardize the gains achieved over the past seven years.

54. His delegation feared that the Brussels Programme of Action was being undermined by the global economic crisis and climate change, as well as by the lack of commitment and implementation by the international community; it hoped that those issues would continue to be addressed in preparation for the Fourth United Nations Conference on the Least Developed Countries.

55. Afghanistan appreciated the recognition in the Secretary-General's report of the unique and difficult position many landlocked developing countries found themselves in. Since geographical characteristics would not change, Afghanistan needed to seize the unique opportunity it had to act as a land bridge between Central, South and West Asia. It was aware of its responsibilities to work with neighbouring countries to develop policies and institutional mechanisms to turn that potential into tangible regional projects, and encouraged others in the international community to join those efforts. In addition to being a least developed country and a landlocked developing country, Afghanistan was also dealing with the problems associated with being in a post-conflict situation. It thus hoped that the United Nations system, international organizations and the international community would provide financial and technical support and capacity-building and development assistance to Afghanistan in order to help it to achieve the goals under the Brussels Programme of Action and the Millennium Development Goals within their respective time frames.

56. **Ms. Garde** (Observer for the Inter-Parliamentary Union (IPU)) said that IPU had been working closely with OHRLLS throughout the decade of the Brussels Programme of Action, to encourage parliaments to become actively involved in its promotion and implementation. The two organizations were striving to remedy the lack of legislative ownership of the Programme of Action process, notably by calling for direct involvement of parliaments in national and regional preparations, more oversight by them and more government accountability with respect to the activities undertaken to implement the Programme of Action. IPU was also encouraging national focal points to submit work programmes on the preparatory process to parliaments. At the global level, it would be organizing a parliamentary forum to provide direct parliamentary input into the Fourth United Nations Conference on the Least Developed Countries. IPU encouraged all stakeholders to undertake an efficient and full review of the implementation of the Brussels Programme of Action, to ensure that the Programme and its successor reflected the priorities and needs of the people of least developed countries; parliaments, as representatives of the people, should be at the forefront of that endeavour.

57. **Mr. Kennedy** (United Nations Industrial Development Organization (UNIDO)) said that support from the international community was required to ensure that the gains least developed countries had made in growing their economies and reducing poverty were not lost for reasons beyond their control. The exact nature and implications of the impact of the global economic crisis on the productive sectors among least developed countries was much less clear than that on more developed countries. For that reason, UNIDO, OHRLLS and other agencies including UNCTAD and WTO were co-organizing a conference gathering the ministers of industry and trade of least developed countries, to be held in December 2009, which would develop a plan of action to support those countries in

their efforts to emerge from the crisis on a sustainable path to development.

58. UNIDO was also providing substantial support to the Brussels Programme of Action commitments on building productive capacities to make globalization work for least developed countries and to enhance the role of trade in development; more than 70 per cent of its trade capacity-building programmes were for least developed countries. Support from the international community was needed to ensure that such assistance remained available and to prevent the current financial and economic crisis from impeding the progress many least developed countries had begun making in recent years.

The meeting rose at 5.25 p.m.

In the absence of Mr. Park In-kook (Republic of Korea), Mr. Mohamed Cherif Diallo (Guinea), Vice-Chairperson, took the Chair.

The meeting was called to order at 10.10 a.m.

Agenda item 57: Globalization and independence

(b) Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/64/122 and A/64/99)

(c) Science and technology for development (A/64/168)

1. **Ms. Miroux** (United Nations Conference on Trade and Development (UNCTAD)), introducing the report of the Secretary-General on science and technology for development (A/64/168), drew attention to its salient points. Science, technology and innovation had a crucial role to play in stimulating long-term social and economic development and in helping developing countries to meet the Millennium Development Goals (MDGs). Appropriate science, technology and innovation policies could ensure that the current crises offered opportunities for changing to a more sustainable mode of development in developing countries, based on low carbon emissions, along the lines of what was currently being done in developed countries. To that end, developing countries would require support to build their technological capacity.

2. Since the development of innovation capacity for sustainable agriculture was essential for poverty reduction, special attention must be given to the challenges facing agriculture in the developing world, and particularly to the needs of microentrepreneurs. In that spirit, the Commission on Science and Technology for Development was planning to go beyond its traditional mandate to follow up the World Summit on the Information Society by addressing themes relating to new and emerging technologies and financial mechanisms and UNCTAD would compile and disseminate examples of good practices showing how some developing countries were building up their technological capacity in new high-growth fields that could create green jobs.

3. **Mr. Vlassis** (United Nations Office on Drugs and Crime (UNODC)) introduced the report of the Secretary-General on preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/64/122). Since July, when the report had been finalized, a further five States had ratified the Convention, bringing the number of parties up to 141. At the third session of the Conference of the States Parties to the Convention, to be held in Doha in November 2009, the most important item for decision would be the establishment of a mechanism to review the implementation of the Convention. Although a number of meetings had helped to advance the work of the open-ended Working Group on Review of the Implementation of the Convention, further meetings would be held in an effort to reach consensus on pending issues before the Doha session.

4. One matter on which the States parties were agreed was that the review should be based on their own self-assessments. At the third session of the Conference, the Secretariat would present a self-assessment checklist in a user-friendly software application, which was an improved version of the more limited checklist developed in 2007; it would be easier to complete and would complement work already done under other anti-corruption treaties.

5. Asset recovery continued to enjoy high priority in the work of the Conference of the States Parties. The Open-ended Intergovernmental Working Group on Asset Recovery, which had held its third meeting in May 2009, had therefore refined its recommendations on the creation of cumulative knowledge, the building of confidence between requesting and requested States and technical assistance. Moreover, it had stressed the need for practical tools and guides for the implementation of chapter V of the Convention and networks to build trust and had highlighted the importance of training and capacity-building. The joint Stolen Asset Recovery initiative (StAR) of UNODC and the World Bank was the main medium through which UNODC acted on the Working Group's recommendations. The initiative was further conducting a number of policy studies on related topics which would be presented in Doha.

6. Since one of the main challenges to asset recovery continued to be a lack of access to relevant information, UNODC was currently developing, as part of the web-based Knowledge Management Consortium,

a legal library that would contain laws and jurisprudence related to the Convention, including its chapter V, in addition to a number of practical guides and tools for asset recovery. The Office was also preparing a compilation of cases concerning asset recovery and had requested States parties to submit their relevant cases for that purpose; it had to date received replies from 26 States.

7. In the interests of confidence-building measures, the StAR initiative, in conjunction with the International Criminal Police Organization (INTERPOL) had in early 2009 launched a database of asset recovery focal points which currently contained data on 66 countries; its further development would be discussed at the third session of the Conference. UNODC also supported the creation and strengthening of regional networks of asset recovery focal points, which could further the dialogue between requesting and requested States.

8. In addition, significant progress had been achieved by the Global Compact Working Group on the Tenth Principle, whose fourth meeting would be held in Doha on 5 and 6 November 2009 and would be immediately followed by the final meeting of the Sixth Global Forum on Fighting Corruption and Safeguarding Integrity. In view of the growing size and work of the Conference of the States Parties, the Global Forum would then become a public/private partnership forum bringing together political and business leaders.

9. He called on States to continue to engage in constructive dialogue with a view to arriving at consensus decisions at the Conference of the States Parties, particularly with regard to the review mechanisms supported by the Group of Twenty (G-20). The General Assembly could support the Conference by encouraging States that had not yet done so to ratify or accede to the Convention and encouraging its implementation by Member States.

10. The Assembly might also wish to take account of the fact that, as the number of States parties and the dynamism of international cooperation for implementation of the Convention rose, expectations of UNODC would also increase exponentially and that, when States parties reached agreement on the terms of reference of the review mechanism, the Secretariat would be expected to perform a high volume of new and complex tasks. The accomplishment of such tasks would be feasible only if Member States provided UNODC with strong support so that it would have the resources needed to make the Convention's provisions operational and fully effective.

11. **The Chairperson** invited the Committee to engage in a general discussion on the item.

12. **Mr. Daoud** (Sudan), speaking on behalf of the Group of 77 and China, said that globalization posed special difficulties to developing countries and had left the least developed among them on the margins of the world economy. The globalization of markets meant that economic meltdowns in developed country markets quickly spread to other markets. Such internationalization of crises brought out the importance of global governance and sound regulatory frameworks that would enable developing countries to enjoy their right to development geared to their own realities.

13. Moreover, while each country bore primary responsibility for its own development, the benefits of globalization could not be shared equitably without strengthened international cooperation and a global partnership for development. That meant giving developing countries greater voice and participation in international economic decision-making and norm-setting, in particular by reforming multilateral institutions and global governance.

14. In an increasingly knowledge-based world economy, access to technology was vital for development and should be made more available to developing countries; it was a major source of inequality between them and the developed world. Such access would help them to advance significantly in agriculture, health, energy, trade, water management and environmental protection.

15. The Group of 77 and China invited the States parties to the Convention against Corruption to take further steps to implement it, notably through initiatives for asset recovery, technical assistance and capacity-building. He stressed the need to continue seeking creative ways to increase collaboration between developing countries and developed countries and their financial institutions in uncovering illicit financial operations, locating the funds and arranging for their return. Progress on trade and investment agreements and the participation of developing countries in international economic decision-making would be crucial to the global partnership for development. In that context, he called on the

international community to give special attention to the needs of the developing countries, the least developed countries, the landlocked developing countries and the small island developing States.

16. **Ms. Ornbrant** (Sweden), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Armenia, the Republic of Moldova and Ukraine, said that corruption was a fundamental obstacle to sustainable development. Efforts to combat it must be predicated on the principles of good governance, integrity, transparency and accountability, which, in turn, called for strong legal and judicial institutions. As the first global and legally binding instrument on the subject, the Convention against Corruption was an important step in that direction. The European Union therefore urged States that had not yet done so to ratify or accede to it; the European Union attached great importance to the forthcoming session of the Conference of the States Parties and hoped that it would lead to the adoption of a strong and effective review mechanism, which was a matter of credibility for the United Nations system. It likewise continued to support the further development of the StAR initiative.

17. The European Union also welcomed the joint undertakings of the Commission on Science and Technology for Development and UNCTAD and looked forward to further efforts to bridge the digital divide and promote access to technology for development. It gave priority to investments in national universities and science and technology in developing countries, as exemplified by its strategic partnership with Africa, agreed on in December 2007, whereby it would invest up to €63 million in research projects in 2010 in order to improve health conditions and water and food security in Africa.

18. The European Union would like to see a clear connection to the achievement of the Millennium Development Goals in future reports on science and technology, as well as on corruption.

19. **Mr. Oemar** (Indonesia), speaking on behalf of the Association of Southeast Asian Nations (ASEAN), said that the United Nations had an essential part to play in extending multilateralism and shaping comprehensive measures to address the multiple crises in a globalized world. Financial regulation, as important as it was, could not suffice; nor should solutions be sought through piecemeal measures. The continuing disarray in the world economy reflected a fundamental flaw in the international economic system itself, whose trade, finance and technology transfer structures and mechanisms gave developing countries little say in international economic decision-making.

20. In its deliberations on globalization and interdependence, the Committee should not ignore the contribution of middle-income countries to global and regional development and economic stability. They accounted for two thirds of the world population and nearly 40 per cent of the gross world product; in the past two decades they had become more closely integrated into the global economy and they had the potential to drive new growth all over the world.

21. ASEAN had followed with interest the work of the Commission on Science and Technology for Development and UNCTAD, in particular the meeting on global food security co-sponsored by UNCTAD and the Malaysian authorities; the recommendation of that meeting on the sharing of new technologies, particularly information and communication technologies, in agriculture had special resonance in the ASEAN region, as food security would be one of the key issues addressed at the Association's fifteenth summit.

22. As for the fight against corruption, it was a long and arduous process for which ASEAN had been developing cooperation since 2004. The Association had included combating corruption in its Community Blueprint and would continue to resolutely pursue it.

23. **Mr. St. Aimee** (Saint Lucia), speaking on behalf of the Caribbean Community (CARICOM), said that globalization and interdependence were not only economic in character but also embraced finance, trade, investment, climate change, health, technology, migration and law. Globalization was a source of tangible improvements in the quality of life and choices available to citizens; however, it also had negative consequences, by which CARICOM and the developing world were disproportionately burdened.

24. The Caribbean countries were afflicted by ills that were not of their making, including climate change, illicit trade in small arms and narcotics and the food and energy crises; they also suffered from unfair trade subsidies and barriers. Yet they were models of

good governance, open borders and economic liberalization. Although globalization took no account of the needs of their small populations, it played as critical a role in their development as the decisions and policies of their own Governments. If the World Trade Organization and the Organization for Economic Cooperation and Development did not make allowances for banana production and the financial services sector in the CARICOM countries, those countries could cease to derive any benefit from globalization.

25. For globalization to be effective, it must be inclusive. Responding to the global economic and financial crisis was not the exclusive preserve of the G-20 countries, no matter how well intentioned. He reiterated the Community's endorsement of the conclusions of the United Nations Conference on the World Economic and Financial Crisis and Its Impact on Development and emphasized the importance of the follow-up process. CARICOM also echoed the Secretary-General's call to maintain and indeed increase levels of official development assistance (ODA) in order to cushion the impact of the crisis, not only in the financial centres of the world but also throughout the developing countries.

26. The CARICOM States had been prematurely categorized as middle-income countries alongside other countries far more capable of weathering external economic shocks and combating the crisis unaided. Their graduation had been based purely on economic development without taking into account their degree of integration at the international level. CARICOM needed the assistance of the United Nations and of other global partners, as well as adequate support mechanisms in order to assume a leading role in the global knowledge-based economy. Globalization offered the CARICOM countries fresh opportunities for economic takeoff in the areas of tourism and financial services; however, to overcome the current challenges to the sustainability of their development, they needed transfers of technology from the developed world so that, as recognized in the report of the Secretary-General (A/64/168), they would be able to take their place in that economy and generate better-paying jobs, increase standards of living, reduce poverty and stimulate economic growth.

27. **Ms. Markoff** (United States of America) said that in a globally networked world, cybersecurity was becoming an increasingly critical issue. As threats to network security multiplied, Governments needed to take a leadership role in ensuring the safety and security of cyberspace. Given the international nature of such threats, international cooperation would be indispensable.

28. In years past, her country had been a leader in drawing the attention of the General Assembly to threats to information technology security. At the current session it intended, along with co-sponsors Australia, Israel, the Marshall Islands and Japan, to introduce a draft resolution commending successful regional and international cybersecurity efforts and offering a generic self-assessment tool to help States evaluate their national cybersecurity needs and strategies. Such a tool would help identify the responsibilities of key stakeholders in society, encourage public/private partnerships at the national level, determine the readiness of the authorities to respond to criminal misuse of information technology, and measure the level of public awareness of the cybersecurity issue. She looked forward to the cooperation of Member States in reaching a consensus on that draft resolution.

29. **Mr. Chen** Ming (China) said that the increasingly transnational nature of corruption had made confronting it all the more complicated and the need for effective international cooperation all the more crucial. Domestically, his country had launched a national anti-corruption coordination mechanism, a national anti-corruption website, and several local anti-corruption pilot projects. Internationally, it took active part in the Conference of the State Parties to the United Nations Convention against Corruption and supported all implementation efforts, especially with regard to the recovery of stolen assets and their return to their countries of origin. China would become even more involved in international cooperation to combat corruption through information sharing, judicial assistance, capacity-building and technical assistance and hoped that substantive progress would be achieved at the Conference's third session, to be held in Doha from 9 to 13 November 2009.

30. He applauded the work of UNCTAD and the Commission on Science and Technology for Development in helping developing countries to integrate science and technology into their

development plans. His country had been an early leader in promoting development through science and technology, and boasted numerous pathbreaking achievements. Its 15-year plan for scientific and technological development, laid out in 2006, envisioned turning China into an innovation-oriented economy by 2020. Nevertheless, while the Government's support of science and technology had helped to make his country's economy the third largest in the world, its per capita gross domestic product (GDP) was not even in the top 100. It would continue to invest in poverty reduction at home while providing development assistance to other countries to the best of its ability. Greater investment in science and technology, improved strategies for scientific innovation and increased technical assistance to developing countries were all vital to achieving the Millennium Development Goals. UNCTAD must continue to provide support to that end.

31. **Mr. Al-Fayez** (Saudi Arabia) said that for better or worse, globalization was a reality, and in a world where a decline in developed countries' economies affected the economies of developing countries, the time had come to build a new economic system based on new partnerships between the two. Developing countries should have access to the markets of developed countries and capacity-building support to enable them to become competitive. He affirmed the role played by the United Nations, and in particular the Economic and Social Council, in development assistance, and said that his country would continue to fulfil its regional and international commitments in that regard.

32. **Mr. Yono** (Iraq) said that there was international agreement that corruption was a major obstacle to development. His country's Constitution had established an independent Commission on Public Integrity to root out corruption, and it had signed the United Nations Convention against Corruption in March 2008. That same month, in cooperation with the United Nations Development Programme (UNDP), his country had held a Conference on Good Governance and the Elimination of Corruption, whose outcome document established a multi-agency national anti-corruption organization. In September 2008, UNODC and UNDP had launched a five-year programme to fight corruption in Iraq. His country would continue to promote good governance based on transparency and accountability in fulfilment of its commitments under the International Compact with Iraq.

33. **Ms. Jacobsen Takahashi** (Norway) said that asset recovery, technical assistance and review of implementation were three mutually interdependent aspects of the United Nations Convention against Corruption that had to be maintained in a delicate balance that was acceptable to all State Parties. The Open-ended International Working Group on Review of the Implementation of the Convention had made constructive progress on the terms of reference for a transparent and inclusive review mechanism. Adoption of such a mechanism at the forthcoming session of the Conference of States Parties would ensure that provisions on asset recovery and international cooperation functioned as intended.

34. Illicit financial flows coming out of developing countries had been estimated at up to 10 times the amount of ODA flowing into them. The Open-ended Intergovernmental Working Group on Asset Recovery and the Stolen Assets Recovery (StAR) initiative were both crucial to the development of best practices and training tools for asset recovery. They must be given the broadest possible support. States also needed to conform to Financial Action Task Force on Money Laundering (FATF) standards for identifying beneficial ownership of domiciled companies and customer due diligence to prevent company domiciliation from being used as a cover for illegal financial flows.

35. **Mr. González Segura** (Mexico), speaking on behalf of the Rio Group, said that the Rio Group hoped that the third session of the Conference of the State Parties to the United Nations Convention against Corruption would agree on a review mechanism that was acceptable to all States parties. As the Convention gained strong and sustained political commitment, it was important for the General Assembly to express support for it. The Rio Group urged those countries which had not already done so to become parties to the Convention. Anti-corruption strategies should not shy away from targeting the private sector and the issue of bribery. Asset recovery and technical assistance to developing countries should be priorities.

36. He commended the work of UNCTAD and the Commission on Science and Technology for Development. Technological innovation in agriculture was essential for reducing poverty in the rural areas where the bulk of poverty in the developing world was

found, and could also contribute to global food security. For that reason, the Rio Group stressed the importance of establishing guidelines for technology transfer to developing countries.

37. The Rio Group also stressed the importance of technological innovation in the creation of information and communication infrastructure, expressed support for the Network of Centres of Excellence that enabled scientists and engineers to update their professional expertise in modern scientific environments, and commended the science, technology and innovative policy reviews being done by UNCTAD.

38. **Mr. Alahraf** (Libyan Arab Jamahiriya) said that while globalization offered genuine opportunities to developing countries to acquire new capacities and technologies, it also threatened them with economic dependency. Fairness and stability needed to be restored to the international financial system and efforts by developing countries to diversify their economies should be supported. It was important to recognize that privatization and the free market alone would not produce development, and that conditional assistance made it difficult for developing countries to balance international commitments with national priorities.

39. Corruption, bribery and money-laundering deprived developing countries of resources needed for development. The international community needed to take action against money-laundering havens that operated outside the reach of the law. He commended the UNODC initiative to eliminate safe havens for the proceeds of corruption, and called on the forthcoming third session of the Conference of the States Parties to the United Nations Convention against Corruption to explore mechanisms to identify and recover illicit assets.

40. Science and technology had an important role to play in development, poverty reduction, food security, disease prevention, educational development and environmental protection. Developing countries should have access to the technology and other tools needed to incorporate the benefits of science into their national economic plans, human resources development strategies and services sectors. Intellectual property rights should not be allowed to stand in the way of closing the technology gap. He expressed support for proposals calling on the Commission on Science and Technology for Development to assist the Economic and Social Council in following up the outcomes of the World Summit on the Information Society.

The meeting rose at 12.15 p.m.

United Nations A/C.2/64/SR.17

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Chairman: Mr. Mohamed Cherif Diallo (Vice-Chairperson) ..... (Guinea)

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In the absence of Mr. Park In-kook (Republic of Korea), Mr. Mohamed Cherif Diallo (Guinea), Vice-Chairperson, took the Chair.

The meeting was called to order at 3.15 p.m.

Agenda item 55: Globalization and interdependence (*continued*) (A/64/65)

(b) Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (*continued*) (A/64/99 and A/64/122)

(c) Science and technology for development (*continued*) (A/64/168)

1. **Mr. Al-Khater** (Qatar) said the continued unfair distribution of the benefits of globalization and the widening economic gap between developed and developing countries could only kindle feelings of frustration and lead to unexpected forms of international discord.

2. Globalization was the combined result of decisions to reduce trade barriers and of novel information and communication technology. The technological revolution had made knowledge an important factor of production in the industrial countries. For developing countries to compete in the global economy, they must focus on investment in education, research and the dissemination of knowledge.

3. Many countries had managed to take advantage of globalization through modern technology. The technology gap was widening, however, even between developing countries themselves, for their ability to use technology to meet their needs differed. The most important question, especially for poorer and marginalized countries, was how they might use such means to their greatest advantage. They must develop their innovative systems by improving their technological skills and scientific education and encouraging commercial innovation. They should seek to build effective institutions and adopt policies aimed at encouraging investment in development fields, investing in the youth and fostering both a commercial spirit and a spirit of partnership.

4. The public sector could play an important role in the establishment of scientific institutes and infrastructure that paved the way for innovation and invention. Of particular importance were enhanced cooperation, both regional and interregional, and the building of networks for technology transfer by both Governments and the private sector.

5. **Mr. Al-Nasser** (Qatar) said that corruption was a serious threat to the fabric of society, since it undermined fundamental values and rights. It affected all countries to varying degrees and was a major cause for concern in an increasingly globalized world.

6. The emergence of new forms of corruption called for increased international cooperation, particularly the establishment of an international legal framework for the immediate implementation of relevant international instruments. In that regard, his delegation emphasized the importance of the full implementation by all States of the United Nations Convention against Corruption and called on the United Nations to provide the necessary technical and political support to that end.

7. His Government, which supported all international efforts to combat corruption in an effective and sustainable manner, was cooperating closely with the International Criminal Police Organization and was actively implementing anti-corruption legislation in line with international instruments.

8. In addition to national measures to combat corruption, his Government had established national committees to monitor and criminalize money-laundering, particularly with a view to combating terrorism. It also provided national reports on relevant legislation to the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism.

9. Qatar would host the third session of the Conference of the States Parties to the United Nations Convention against Corruption in November 2009 in order to review the progress achieved to date. His delegation hoped that, rather than mere recommendations, the Conference would result in resolutions that led to concrete action on the ground.

10. **Mr. Valero Briceño** (Bolivarian Republic of Venezuela) said that corruption was a transnational phenomenon, supported by a large international framework incorporating the financial sector, military groups, political groups, communications monopolies and private businesses, and was closely linked to

offences such as arms and drug trafficking and illicit financial transactions. Corruption constituted an ethical problem that was inherent in the principles of capitalism and individualism, according to which the profit-making end justified the means. It was also a factor in the process of transferring capital from the public sector to the private sector.

11. Behind the sphere of politics, business and trade unions, many powerful groups benefited from corruption, perverting the efficiency of the political system and severely hindering countries' attempts to achieve sustainable economic and social development. The legal and regulatory framework must therefore provide for penalties against the public sector as well as the private sector. With that aim in view, the Venezuelan Government had promoted approval of the Inter-American Convention against Corruption.

12. The United Nations Convention against Corruption recognized that all States were responsible for preventing and eradicating corruption and that cooperation was essential. Strict legal controls must be established in order to regulate the transfer of assets of illicit origin and the repatriation, which threatened countries' security and stability. International institutions and non-governmental organizations had a key role to play in preventing corruption, and must cooperate in areas such as information exchange. It was essential to raise public awareness of corruption and of the legal instruments aimed at preventing it.

13. Science and technology played an undeniable role in development. However, it was important to question the motivation behind their use: whether it was to preserve and reproduce life, or simply to accumulate capital. The debate about the moral implications of scientific and technological research, which questioned whether scientists should be able to determine the course of human life and the future of the world if their work was financed by capital with the sole aim of making profits, could not be ignored.

14. Scientific and technological development had profoundly altered social life and human relationships, as was clearly demonstrated in the workplace. As intellectual work had come to be more common than manual work, increased working hours had led to a rise in productivity. However, depression, stress and physical and spiritual poverty had increased simultaneously with violence, war and fierce competition. A peaceful world characterized by solidarity among people was far out of reach, and the increase in productivity had not improved social and collective well-being.

15. Knowledge must be a shared asset of humanity, and developing countries must be included in the technological revolution. The United Nations system had a key role to play in promoting synergies in order to support national efforts and reduce technological inequalities. Venezuela had been applying an endogenous, sovereign and self-sufficient development model that promoted national production in areas such as industrialization, agriculture, services and infrastructure. Wide sectors of society not traditionally associated with technical research and progress must be enabled to use and benefit from technology, information, communication and expertise. The development of production must therefore respond to the real needs of all peoples of the world in order to improve their quality of life. Venezuela promoted regional integration aimed at creating a society in which knowledge was integrative, development-oriented and human-centred.

16. **Mr. Aguiar Patriota** (Brazil) said that, in response to the current economic and financial crisis, international cooperation should play a major role in helping developing countries to implement national development plans in line with their priorities. In that respect, dialogue between developing countries and the United Nations development system must be strengthened, with greater attention being paid to the outcomes of the 2008 Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus and the recently held Conference on the World Financial and Economic Crisis and Its Impact on Development.

17. The United Nations should also support long-term national development plans. To that end, the United Nations system should be further strengthened to ensure greater inclusion of developing countries in global decision-making; its capacity to provide independent, impartial and comprehensive analysis of trends should be enhanced; and its coordination with multilateral financial, trade and development institutions should be improved to support common efforts towards sustained economic growth, poverty eradication and sustainable development.

18. His delegation encouraged all States to accede to the United Nations Convention against Corruption and

welcomed the forthcoming third session of the Conference of the States Parties to the Convention, as an opportunity for agreement to be reached on a mechanism for reviewing the implementation of the Convention. There was a need for increased international cooperation, particularly with developing countries, to build capacities in order to ensure the fulfilment of the commitments entered into under the Convention.

19. In the context of science and technology for development, his delegation commended the efforts of the United Nations Conference on Trade and Development and the Commission on Science and Technology for Development. In view of the importance of agriculture, technology and entrepreneurship in countering the negative impact of the current crisis, particularly in developing countries, the Commission's work should be strengthened through South-South cooperation that utilized the relevant expertise and shared experiences of developing countries.

20. Innovative technologies should also be harnessed to narrow the technological divide between developed and developing countries. In that respect, his delegation welcomed the Network of Centres of Excellence project, which had enabled scientists from developing countries to improve their technical skills and to develop professional networks within the scientific community.

The meeting rose at 3.45 p.m.